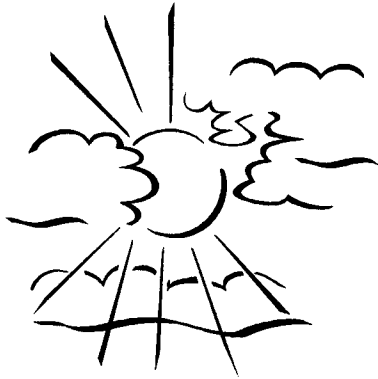


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# **Articles in Today's Clips**

## **Thursday, August 18, 2005**

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# Plenty of American kids await adoption

The Kalamazoo Gazette

Thursday, August 18, 2005

American couples seeking to adopt children, but often unable to find the kind of children they want here, have been adopting children from overseas.

They open their homes to thousands of children, mostly from developing countries, who otherwise might languish in crowded orphanages.

The number of international adoptions has gradually increased over the years -- to 23,000 last year -- as adoption agencies develop networks with other nations.

But that may be changing, as other nations begin to question the export of their children, and as some highly publicized cases of abuse or murder of children by their adoptive American parents are receiving international attention.

Russia recently considered a moratorium on international adoptions after a North Carolina woman was charged with second-degree murder in July in the death of her Russian-born adopted daughter. The National Council for Adoption, a Washington, D.C.,-based non-profit organization, estimates that of the 43,000 Russian children adopted by American parents since 1991, 12 have been killed.

Other nations, becoming more prosperous, are beginning to view the adopting out of their children to people in wealthy nations as shameful.

Americans wanting to open their homes to children from other nations may feel frustrated that the international adoption climate is changing.

But there are plenty of children awaiting adoption -- sometimes for years -- in the United States. Because too many would-be adoptive parents are only willing to consider healthy white infants, thousands of minority children and those with physical, mental or emotional handicaps are languishing in foster care.

The Michigan Adoption Resource Exchange ([www.mare.org](http://www.mare.org)) is an information and resource organization for those interested in adopting children with physical, mental and emotional disabilities. It keeps a list of children available for adoption. Most of the more than 300 children on the Web site's list are minorities. Many are teenagers who perhaps have been waiting years for someone to adopt them.

Would-be adoptive parents who are seeking children overseas, but are being thwarted by new rules in many countries, might consider the thousands of children in the United States who are older, or are minorities, or have disabilities.

They certainly are as deserving of loving parents and a stable home as children from Russia, China or Romania.

# State budget coughs up a little more revenue

Michigan will have additional \$136 million amid hopeful signs economy is brightening slightly.

*Thursday, August 18, 2005*

**By Mark Hornbeck / The Detroit News**

**LANSING** - The state has just a little more money to spend -- about \$136 million -- over the next 14 months than initially expected, a panel of budget experts decided Wednesday.

For cash-starved Michigan, it's the first time in five years that revenues exceeded initial expectations. But it was also apparent that hard times aren't over: the stubbornly sluggish state economy is taking longer to turn the corner than even the most cautious economists predicted.

"We're not talking about a lot of (additional) money," said Gary Olson, director of the Senate Fiscal Agency, who along with the state treasurer and the House Fiscal Agency director issued the revenue forecasts. "But it's positive that the number is going up rather than down for a change."

Budget conferees determined the state has \$69 million more to spend this year and \$67 million more to spend next year than projected in May. Revenues were up in May and June and down slightly in July. To offer some perspective, the total state budget is more than \$32 billion, school aid tops \$11 billion, and the general fund, the state's main checkbook, is \$8 billion.

That amount of extra cash isn't going to save Medicaid health care for the poor, which is hundreds of millions of dollars out of whack, and it isn't going to provide major tax relief. At best, it may make things marginally easier for Gov. Jennifer Granholm and state lawmakers as they haggle over spending plans for the next budget year, which begins Oct. 1.

"We need to look carefully at what we can do on Medicaid, to mitigate some of the cuts," said Sharon Parks, analyst for the Michigan League for Human Services. "But am I optimistic that will happen? No."

Shortly after the conference concluded, House Appropriates Chairman Scott Hummel, R-DeWitt, announced that some of the money would be used to keep a couple of prisons open in Northern Michigan. State leaders also have agreed that some of the additional money will go toward reducing cuts in higher education spending.

"We're looking at maybe \$65 million to \$75 million in help for the '06 budget negotiations" after covering outstanding expenses, state Treasurer Jay Rising said.

Other economic trends that came out of the conference:

- Gasoline prices will peak soon and should drop by the end of this year and into next year, said Joan Crary, an economist at the University of Michigan. Gas will remain over \$2 a gallon at the pump, though. As gas prices approach \$3 a gallon, the impact will be felt by domestic automakers because they produce a large percentage of the world's gas-hungry light trucks and SUVs.
- Car and light truck sales will total about 17 million this year compared to 16.9 million a year ago and will inch up to 17.1 million in 2006 and 2007, predicted Crary. House and Senate fiscal estimates were slightly lower.
- The state jobless rate will average 7.2 percent this year and 7.4 percent next year.

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Published August 18, 2005

## Michigan's revenue outlook improving Governor's office says funds helpful, but aren't windfall

By Chris Andrews  
Lansing State Journal

Michigan's financial picture has brightened a little - but not enough to solve the state's budget woes.

Leading economists added \$69 million to what they expect the state to take in this fiscal year and about \$67 million in fiscal 2006.

The action follows modest upward revisions in May. "Michigan's economy as a whole has stabilized," state Treasurer Jay Rising said after Wednesday's Consensus Revenue Estimating Conference at the Capitol.

Gov. Jennifer Granholm and the Legislature will use the new figures to put together the 2005-06 budget as well as address possible shortfalls in this year's budget. The new fiscal year starts Oct. 1.

Granholm spokeswoman Liz Boyd said the new estimates are helpful in forging a budget but don't eliminate the state's problems. She said the state's budget remains \$60 million worse than when the governor proposed her budget in February.

At that time, Granholm said the state had a \$773 million shortfall.

"No one can characterize the numbers as a windfall or a surplus," Boyd said. "They are modest when compared with the overall size of the state budget."

There is no shortage of groups looking for extra money. Universities are in line for \$13.5 million - the restoration of a cut made this spring. They get it if the state ends this fiscal year with that much left over.

Rep. Scott Hummel, R-DeWitt and chair of the House Appropriations Committee, said House Speaker Craig DeRoche's priority will be keeping open the Newberry and Baldwin corrections facilities. Granholm

recommended closing Baldwin, a privately run prison for youths, and the budget approved by the House would close Newberry.

Physicians and hospitals are urging state leaders to restore proposed cuts in Medicaid.

### 2005-06 by the numbers

The state treasurer and the leaders of the House and Senate Fiscal Agencies agreed on revenue and economic forecasts. Here are some of the projections:

- 2006 unemployment rate: 7.4 percent
- 2006 Detroit consumer price index: 2.5 percent
- Change in fiscal 2005 general fund revenue: Up \$79.3 million
- Change in fiscal 2005 school aid revenue: Down \$10.2 million
- Change in fiscal 2006 general fund revenue: Up \$77.8 million
- Change in fiscal 2006 school aid fund revenue: Down \$11 million

Tom Clay, a budget expert with the Citizens Research Council of Michigan, said the revisions are too small to have much impact.

"My sense is this was a minor adjustment," he said.

"It helps, but it's not enough to resolve all the difficulties out there."

Contact Chris Andrews at 377-1054 or [candrews@lsj.com](mailto:candrews@lsj.com).

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Information Pertinent to Legislative and State Department Activities  
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## MICHIGAN REPORT

REPORT NO. 159 VOLUME 44 WEDNESDAY, AUGUST 17, 2005

# **ADDITIONAL REVENUE SEEN AS SMALL HELP TO BUDGET**

State legislators and the Granholm administration will have \$135.8 million in additional revenue on which to wrap up the budget for the current fiscal year and write the one for 2005-06, state economists estimated Wednesday.

The administration and legislative leaders had discontinued formal budget negotiations, pending the figures from Wednesday's revenue estimating conference. With the forecast set, the two sides are expected to resume talks soon, especially with the 2005-06 fiscal year beginning October 1.

Ms. Granholm's Department of Treasury, the House Fiscal Agency and the Senate Fiscal Agency estimated that revenues to the state's general and school aid funds are \$69 million more than had earlier been forecast for 2005 and \$66.8 million more than expected for 2006.

Ms. Granholm and Republicans, who control the Legislature, are at odds over several major budget items for the 2006 year, and the addition of more revenue than was predicted at the May revenue conference could ease the bridging of those differences.

For 2005, general fund revenues are \$79.3 million more than expected, but school aid fund revenues are \$10.2 million less than expected. Treasurer Jay Rising said \$10.2 million would be taken from the additional general fund revenues to avoid a school aid fund deficit.

Another \$14 million for 2005 has been promised to universities and community colleges as part of a prior budget deal. Mr. Rising said increasing Medicaid caseloads and other mandatory spending pressures would leave about \$10 million to \$20 million from the 2005 year to use for 2006.

"It will help the negotiations for the '06 (year)," Mr. Rising said.

The Senate Fiscal Agency projects an additional \$50 million in lapsed revenues from the 2005 fiscal year being available for use in 2006.

A written statement from Rep. Scott Hummel (R-DeWitt), House Appropriations Committee chair, said the availability of more money than expected "will help in our continued efforts to purchase services for the residents of this state."

Ari Adler, spokesperson for Senate Majority Leader Ken Sikkema (R-Wyoming), said having more revenue than anticipated "is really more of a blip" in the overall budget work although it helps.

"One of the things we need to get people to understand is this is not extra money," he said. "What this means is that there's less of a deficit."

A myriad of groups and legislators already have claimed dibs on the additional revenue.

The Partnership for Michigan's Health has asked that funds go to Medicaid. The Michigan Chamber of Commerce has recommended using the money on tax cuts. The Michigan Municipal League, noting cuts

to revenue sharing in recent years that it said has hurt public safety and other core services, wants some of the funds restored. The County Road Association of Michigan wants some of the funds spent on county roads. House Speaker Craig DeRoche (R-Novi) has said he would use the money to reverse the House budget bill's provisions closing the Newberry Correctional Facility and cutting funds to Northern Michigan University.

Mr. Adler said Senate Republicans are still evaluating how to use the money.

Granholt press secretary Liz Boyd said the administration is "cautiously optimistic about the numbers," but how they impact negotiations "remains to be seen."

Among the major differences on the 2005-06 budget:

- **Medicaid:** Republicans have called for new and higher co-pays for Medicaid recipients that Ms. Granholt opposes.
- **Prisons:** Ms. Granholt proposed discontinuing the Michigan Youth Correctional Facility in Baldwin. In response, Republicans proposed closing the Newberry prison and the Camp Manistique prison.
- **K-12 schools:** Ms. Granholt and Republicans disagree on how much funding to provide for schools with at-risk students.
- **Welfare:** House Republicans have called for a new four-year time limit for welfare recipients that Ms. Granholt opposes.
- **Michigan Economic Development Corporation:** House Republicans want a steep cut to the agency they view as ineffective, but Ms. Granholt says such a cut would decimate the state's job creation/retention efforts.

The revenue conference projected general fund revenues for 2005 at \$7.994 billion, a decrease of 0.6 percent from 2004. It projected school aid fund revenues for 2005 of \$10.84 billion, a 2.12 percent increase from 2004.

For 2006, general fund revenues are forecast to be \$8.213 billion, a 2.74 percent increase from 2005. School aid fund revenues are estimated at \$11.233 billion, a 3.62 percent increase from 2005.

The conference agreed that wage and salary employment would decline by 0.3 percent in 2005 from 2004 and forecast an annual unemployment rate for 2005 of 7.2 percent. For 2006, the conference projected a 0.5 percent increase in wage and salary unemployment, but an increasing unemployment rate, going to 7.4 percent.

The economists said the risks to their forecast include the financial health of the auto sector, uncertainty in energy prices and changes in consumer spending with rising interest rates.



Lansing State Journal

Published August 18, 2005

## **State revenue: Lawmakers must be cautious with increase in funds**

Even before a special state conference confirmed Michigan had new tax dollars Wednesday, the usual suspects were clamoring to get it. Colleges. Prisons. Roads. Health care. Tax cuts. Voters know the drill. But before lawmakers in Lansing rush to put this "found" money into action, they should simply choose not to.

State experts agreed Wednesday that tax collections are running \$69 million ahead of plans for the current budget year, and \$66.8 million ahead for the 2006 budget, which is yet to be completed.

This is hardly a massive windfall for Michigan. It is, however, an opportunity to reinforce priorities.

Those priorities are topped by fiscal prudence - not committing to spending the state cannot maintain.

And when it comes to spending, lawmakers should look only to three areas: universities, public schools and Medicaid.

Reasons to hesitate on spending are plentiful. Michigan's reserve funds were bled dry in recent years as lawmakers tried to reconcile too many commitments with too little money.

With gas prices soaring, the state will have added vehicle fleet costs just to maintain existing services.

Rising costs, as always, hold true for key programs such as Medicaid and education, too.

The federal government is poised to reduce its spending (for all states) on Medicaid by \$10 billion over the next five years, the Washington Post reported last month. Yet, there is a Republican push at the State Capitol to sell off tobacco settlement funds that should be going to Medicaid.

Meanwhile, state universities are ramping up tuition as state aid to them falters.

And even while general tax collections are up, the state's School Aid Fund actually is running millions behind estimates.

There will be great pressure to play politics here; to "save" prisons or advocate tax cuts.

Leaders will resist such siren songs.

# Lawmaker wants to stiffen sentence for raping children

8/17/2005, 7:11 p.m. ET

The Associated Press

LANSING, Mich. (AP) — A state senator wants people convicted of raping children sentenced to life in prison without the chance of parole.

Sen. Tony Stamas, a Midland Republican, introduced legislation Wednesday that would let judges sentence adults who sexually assault children under age 13 to life in prison with no possibility of parole.

"This is an issue we need to be perfectly clear on — if you commit a sex crime against a child you will pay for it," Stamas said in a news release.

To get the stiffer sentence for a first-degree criminal sexual assault of a child under 13, prosecutors would need to show one of the following: an injury; use of a weapon, force or coercion; or that the perpetrator held a position of authority. Currently, someone convicted of first-degree criminal sexual conduct faces up to life in prison.

Stamas said there are too many horror stories of convicted pedophiles being released and preying on children.

"The recidivism rate is unparalleled," he said. "We must make it perfectly clear to these sexual predators who violate children that the first time you do this in Michigan, you will go to prison for life without a chance of parole."

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On the Net:

Sen. Tony Stamas:

<http://www.senate.michigan.gov/gop/senator/stamas/>

# **Boy, 5, shoots himself in hand after finding gun**

POLICE BLOTTER

FLINT

THE FLINT JOURNAL FIRST EDITION Thursday, August 18, 2005

By Ken Palmer

JOURNAL STAFF WRITER

A 5-year-old boy is in serious condition after shooting himself in the hand with a gun he found in his mother's home Wednesday morning.

The child found the gun in an unsecured box in the front room of the house on E. Livingston Drive, near S. Saginaw Street, police reports said.

He was playing with the weapon when it discharged, striking him in the ring finger of his left hand, the reports said.

The boy's mother was arrested, interviewed and released pending further investigation, police said.

- Ken Palmer

# Possessing child pornography lands man in prison

POLICE BLOTTER

FLINT

THE FLINT JOURNAL FIRST EDITION Thursday, August 18, 2005

By Ken Palmer

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A robotics engineer from Atlas Township is headed to federal prison for possessing child pornography, busted as part of a federal crackdown on Internet porn.

Dominique Merritt, 35, received a 21/2-year prison term and a \$20,000 fine from Senior U.S. District Judge Paul V. Gadola. Gadola said Merritt helped victimize young children by supporting the illegal pornography trade.

Merritt had no prior criminal record, but his sentence was enhanced because he used the Internet to commit a crime, some of the children were under 12 and because he possessed a large number of pornographic images.

Agents from U.S. Immigration and Customs Enforcement, with help from the Genesee County Sheriff's Department, searched Merritt's home on Tewksbury Place in May 2004, seizing computer equipment, compact discs and videotapes.

Investigators found about 100 pornographic images, some depicting pre-teen children, Assistant U.S. Attorney Robert W. Haviland said.

Merritt was arraigned in March on the possession charge and later pleaded guilty, federal officials said.

The case was part of "Operation Predator," an immigration and customs effort to protect children from Internet pornographers, foreign national pedophiles and international sex tourists.

Since July 2003, the initiative has produced more than 6,225 arrests, including 154 people in Michigan, according to federal authorities.

Investigators learned about Merritt after arresting a suspect in 2003 and working backward through a list of contacts, Haviland said.

Merritt told Gadola on Wednesday that he is very remorseful and will do all he can to prevent children from being victimized again. He said he was fired from his job after he was caught using his computer for inappropriate purposes.

After finishing his prison term, Merritt will have to spend three years on supervised release.

# Head Start to close area centers

*By JANE NORDBERG, Gazette Writer  
The Daily Mining Gazette  
August 17, 2005*

HOUGHTON - Area parents are looking for alternative preschool child care following a recent announcement of impending Head Start closures.

The closures affect the Covington Head Start, Pelkie Head Start Center and the Stanton Early Education Program in Atlantic Mine, said BHK Child Development Board Executive Director Rod Liimatainen on Tuesday.

The BHK Child Development Board operates the federally-funded Head Start program in Baraga, Houghton and Keweenaw counties. The program provides a variety of health information services and school-readiness preparation, primarily to low-income children aged three to five.

Parents were notified last week of the closures, although the board has been discussing possible options for a few months, said Liimatainen.

Low enrollments, coupled with reduced funding, necessitated the cuts.

Currently, fewer than 10 students are enrolled in the Covington program, while 10-12 are enrolled at Pelkie and an additional two students in Stanton.

A number of options exist to serve those families, Liimatainen said.

The Covington program will become a home-based program, with a staff member visiting each enrolled student at home rather than children attending a center two or three days a week. Students in the Pelkie program will likely travel by bus to either the Baraga or the Chassell Head Start centers.

The two enrolled students at Stanton will be served by the E.B. Holman preschool program, where it is hoped they will be joined by seven or eight classmates, Liimatainen said. "Certainly, low enrollment played a big part in this decision but there are also budget issues," Liimatainen said.

BHK's preschool programs are primarily funded through Head Start at the federal level, and the Michigan School Readiness Program at the state level. Funding has not kept pace with increased transportation and health care costs, Liimatainen said.

"This past year we received a one percent increase for Head Start which did not cover those increased costs," he said. Funding through the MSRP has remained at \$3,300 per child for the last five years, with no cost of living increases.

"What we're faced with constantly is either to cut our expenses or try to generate some other funding to meet our program standards," he said.

Published August 18, 2005

## **FBI assists on inquiry into lawyer Agents probing cases of former court guardian**

By Kelly Hassett  
Lansing State Journal

CHARLOTTE - The FBI is assisting Eaton County prosecutors in its investigation into Charles M. Zwick, a former court guardian who's accused of taking \$347,000 from a deceased Lansing woman's estate.

The 56-year-old Charlotte man - who is in the Eaton County Jail on a \$400,000 cash bond - was arrested Sunday in southwest Michigan after he was pulled over for making an improper right turn, police said. He had been missing for a month.

Richard Licht, the supervising special agent with Lansing's FBI office, said the agency is just beginning to look into the Zwick case.

The FBI is investigating for evidence of mail, wire or bank fraud, he said.

"We're just trying to get a handle on what happened," he said, stressing that no charges have been issued. "Whether they charge will depend on what we jointly present as evidence." Zwick, who faces up to 30 days in jail on a contempt of court charge, could not be reached for comment Wednesday because Eaton County Jail does not take messages for inmates. His attorney did not return a phone call seeking comment.

A warrant was issued last week for his arrest after the longtime Eaton County attorney failed to attend a July 22 probate court hearing. There, the family of Wilma Southwell accused him of closing several of the 92-year-old woman's bank accounts and never explaining where the money went.

As court guardian, Zwick was responsible for managing the finances of more than 150 people who are unable to do so because of medical, physical or other conditions.

Many of those cases involve people receiving Social Security benefits or Medicaid.

Robert Barnett, district manager of Lansing's Social Security Administration office, said his office re-assigned the cases of about 50 people who had Zwick as the guardian receiving payments on their behalf.

"We're still in the process of doing that," Barnett said. "So far ... we have not heard of any complaints."

Eaton County prosecutors and new court guardian Christine Waichunas are looking through Zwick's old cases for any sign of irregularities. There were no criminal charges issued as of Wednesday, Prosecutor Jeffrey Sauter said.

Mike Kutas, probate and circuit courts administrator, said it was Zwick's duty as court guardian to file regular inventory reports with the court. As of June, Zwick was delinquent in filing reports on about 30 of the roughly 157 cases he handled, Kutas said.

### **Investigation**

- The FBI is assisting Eaton County prosecutors in the criminal investigation into former court guardian Charles M. Zwick, who's jailed on a contempt of court charge.

## Forum

# Help available for abused elders

BY RACHEL RICHARDS

Did you know that if you, your parent or your grandparent are over the age of 60, statistics indicate that you have a one in 20 chance of being abused? That is only an estimate, as it is believed that only one in five incidents of abuse are reported each year. Physical abuse, sexual abuse, emotional abuse/neglect, physical neglect and financial exploitation are all part of the growing concern of elder mistreatment.

Sixty percent of adult mistreatment victims are women, while seventy percent of mistreatment determinations are neglect. The majority of perpetrators (two-thirds) are family members, with approximately 35 percent of those perpetrators being adult children of the victim, 13 percent a spouse, and nearly 6 percent the victim's grandchildren.

Department of Human Services Adult Protective Services caseworkers investigate over 10,000 referrals each year. Those referrals cover a wide variety of issues. We call on elderly individuals who live alone and have no one looking in on them. Often, referrals are generated because of unpaid utility bills that may result in a shut-off of their electricity, heat or water.

Sometimes these calls are from a neighbor or concerned friend or relative who believe the person they love is no longer able to care for themselves safely in their home. Relatives or friends of elderly people will call about seniors living in extreme clutter, with multiple pets in the home, because the pets' needs are being met better than those of the seniors. We check on individuals with severe injuries suspected to have happened at the hands of a caregiver or loved one responsible for that person's care.

These are just some of the situations for which we have been trained to investigate and provide intervention, assistance and referral information on. We determine whether or not a vulnerable individual is at risk of harm and, if so, we provide necessary intervention to make that individual's situation safe while taking into consideration the individual's right of choice. It is a fine line we are asked to walk, but also a responsibility we take very seriously.

Very often we have noted that abuse, neglect and financial exploitation all occur in the same home to a vulnerable adult. Caretakers of adults often take money from a victim's limited resources and use it for their own purposes, taking away money that the senior would have used to pay for food, housing and/or medicine. In many cases, if the adult objects, they may be struck or assaulted by the caretaker.

Adult Protective Services caseworkers, despite growing caseloads, continue to provide compassionate and person-centered planning services to each client they encounter. However, we cannot do this alone. It takes knowledge and understanding of the problem by the community at large to make us aware of potential harm to elderly persons.

If you know or believe that someone you know may be the victim of abuse, neglect or exploitation, please call the Vulnerable Adult HelpLine at 1-800-996-6228 and report your suspicions. A concerned community is a safer community.

### About the author

Rachel Richards is an Adult Protective Services Analyst with the Michigan Department of Human Services. She has served DHS for the past 14 years, working in both the adult services and adult protective service areas.

### About the forum

The forum is a periodic column of opinion written by Record-Eagle readers in their areas of interest or expertise. Submissions of 500 words or less may be made. Please include biographical information and a photo.

# DHS employee honored

by Erica Goff  
Herald Staff Writer

Although the name of Lois Fanslow's employing agency has changed a few times over the course of her career, and so has her title, her personal mission and integrity have remained the same.

She collaborates with local resource providers to find ways for troubled lives to become better.

Fanslow is currently an adult service worker at the Gratiot County Department of Human Services (DHS) office in Ithaca. She has worn the titles of assistance payment worker, children's protective services worker, children's foster care worker, and children's prevention services worker during her 25 years at the agency, which has been known as Social Services Agency and the Family Independent Agency before its most recent name change.

Her move from children's services to adult care was made three years ago.

"It is a slower pace position, but the case load is demanding," Fanslow said of her current position.

Switching from child protective services and related fields to adult care services is an adjustment because the jobs are very different. One difference noted by Fanslow's supervisor Kim Keilen, social service program manager for the Clinton and Gratiot county DHS offices, is the public awareness of the services.

"Child care services are more high-profile. People are aware of the need for such programs because they are in the news so much and people notice problems with children," Keilen said. "Many people are unaware of the needs for adult service programs."

The services that Fanslow provides are important to the community and Fanslow has made a positive impact on many lives in the area, he said.

"There is so much positive about what she does. There is a lot of good that happens here and many people don't realize it. What she does really makes a difference in people's lives," Keilen explained.

Fanslow's "effort and hard work" influenced Keilen to nominate her for a statewide recognition award presented by the Michigan Department of Human Services. Fanslow received the Hero's Award for her long-time commitment to DHS programs, and Keilen was "so excited" about the honor.

"It is a very prestigious award. It is a way to acknowledge what people like (Fanslow) are doing. That is important because in this job you don't get a lot of recognition," he said.

Fanslow said she gets a lot of personal satisfaction out of seeing the difference her job makes in the lives of others, and it is especially noticeable in her current position when she visits elderly clients.

"For a lot of my clients, I am the only person who visits them. They are very appreciative of what I do," she said.

There is much more to the position than just visiting clients, however. There are three main programs that Fanslow, the only adult services worker in Gratiot County, participates in: home help services, adult foster care, and the adult protective services program.

The three programs combine with one major goal.

"My job is to ensure the adult population is safe and their needs are being met," she said.

Some challenges exist in reaching that goal, however. Craig Zeese, director of the Gratiot County Commission on Aging, agreed that it's difficult for agencies such as the COA or DHS to help an adult with abuse, neglect or exploitation issues, which are the key focuses of protection provided.

"Unfortunately the law states that if an elderly person is in the right state of mind they can have

## HONOR

(Continued from page 9)

complete control of their assets, and if they make bad choices with them then our hands are tied," he said.

Another problem is that such incidents commonly go unreported, he added.

Education is a major element of Fanslow's job. It is one she finds rewarding but would not take all of the credit for.

"We educate elderly people on what is available as well as their families, but we also have to educate on risks," she said. "We work very collaboratively with the Commission (on Aging) on that as well."



## Jobs skid: No end in sight

Michigan's unemployment rate rises to 7% in July, and economists predict an even bleaker future.

*By Louis Aguilar / The Detroit News  
Thursday, August 18, 2005*

Michigan's job picture worsened in July and a wave of expected layoffs throughout the auto industry and other sectors could mean things will get worse before they get better.

As most of the nation saw strong job growth, Michigan's unemployment rate climbed to 7 percent in July from 6.8 percent in June. The nation's jobless rate is 5 percent. "Overall, it looks like a real struggle here for a while," said Dana Johnson, chief economist for Comerica Inc.

The July numbers are a snapshot that doesn't fully reflect the storm clouds hovering over Michigan's economy.

Major auto companies including General Motors Corp and Ford Motor Co. plan to cut thousands of jobs in the coming months and years, and possibly close local plants.

By the end of the summer, GM will have shuttered a plant in Lansing, and other plants may be vulnerable. Ford's Wixom plant appears likely to close after 2007, industry analysts say.

The world's largest auto supplier, Troy-based Delphi Corp. is threatening bankruptcy, and rival Visteon Corp. in Van Buren Township is preparing to shed 24 plants and thousands of jobs.

Delphi has 14,700 workers, and Visteon employs 6,000 salaried workers and thousands of hourly workers.

Kmart is moving its headquarters to Illinois due to its merger with Sears Roebuck Co., which means the loss of nearly 2,000 jobs in Troy. And Farmer Jack has only closed six of its planned dozen store closures in Michigan.

"Look at the data: There is no turnaround. There is no other major growth in other sectors that can offset the losses," or the impact of more layoffs, said Lansing-based economist Patrick Anderson.

Comerica's Johnson said layoffs by automakers aren't anything new to the state. But the potential for large job losses in other industries could compound the state's problems.

In July, seasonal layoffs in the auto industry due to factory shutdowns in July resulted in 10,000 fewer manufacturing jobs compared to June, according to the Michigan Department of Labor & Economic Growth. There was also a loss of 6,000 jobs in the trade, transportation and utilities sector, which includes retail jobs. Overall, the state lost 17,000 jobs in July compared to June. The most substantial job growth in July came with an 8,000-job increase in professional and business services.

The number of education and health service jobs increased by about 2,000 from June to July. The education and health services sector has shown the most improvement since July 2004, adding an estimated 8,000 jobs.

"The only sliver of a silver lining is that the tourism industry has held its own," said Anderson. Tourism jobs have held steady from a year ago July, showing a 1,000 job gain. Many Michigan workers talk of trying to survive an economy where joblessness and underemployment have become pervasive.

"It's like trying to balance everything on a string," Sara Lopez, 33, of Taylor, said Wednesday. Since losing her eight-year job at Frank's Nursery & Crafts last summer when the Troy-based retailer went bankrupt, she's been scraping by with part-time jobs.

She's working at two fast-food chains near the Detroit Metropolitan Airport, which often results in a 12-hour day. On Tuesday, her day started at 5 a.m. for a morning shift at one eatery, and an afternoon shift at the other chain began at 1 p.m. Between the shifts, she often parks her 10-year-old minivan in an empty parking lot of a closed hotel and sleeps.

"My kids need school supplies," she said, explaining her long hours.

Her husband, Danny, has worked in construction this summer ever since losing his forklift job at an Ecorse trucking company in November.

Their fluid jobs are turning ordinary decisions into family dilemmas. "My 14-year-old wants to play football for his high school this year, and, you know, that's a hard choice," Lopez said. "If he really gets hurt, that could ruin us, because we ain't got no health insurance. How (do) you explain something like that (to a child)?"

Shalamayne Humphrey of Hazel Park says many companies and others are starting to prey on the jobless. She says she spent 10 months at a vocational school with the promise of a health care job after completing her training. That was a year ago and still no job.

"All I got was debt" Humphrey, 27, said recently as she waited outside the Michigan Works! office, a work force development agency in Southgate.

"I doubt anyone in my class got a job. People will believe anything right now if they think they can get a good job."

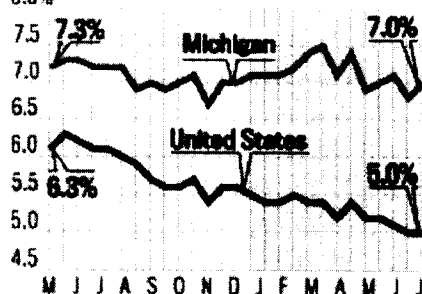
Metro Detroit has had one of the highest jobless rates of any major urban area in the nation for the past 15 months. In July, the region's jobless rate was 7.4 percent, according to the state.

Nationally, the largest expansion of payrolls in three months meant 207,000 jobs were created and held the unemployment rate steady at 5 percent for the second consecutive month.

The increase in payroll jobs reflected hiring across a range of industries. Retailing, education and health services, financial activities and construction all expanded employment.

## Unemployment rate

(Seasonally adjusted)  
8.0%



Sources: Bureau of Labor Statistics, Michigan  
Department of Labor & Economic Growth

The Detroit News

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*MIRS*  
*August 17, 2005*

## **Unemployment Back At 7.0%**

Michigan's seasonally adjusted unemployment rate in July increased by two-tenths of a percentage point to 7.0 percent, according to data released by the Department of Labor & Economic Growth (DLEG).

Although total employment edged upward by 4,000, unemployment also rose, increasing by 11,000 and expanding the state's labor force by 15,000. However, the July 2005 jobless rate was one-tenth of a percentage point lower than the July 2004 rate of 7.1 percent.

"There was an increase in Michigan in the number of individuals on temporary layoff in July," said Rick **WACLAWEK**, director of DLEG's Bureau of Labor Market Information and Strategic Initiatives. "This reflected regional short-term, seasonal cutbacks due to model-changeover activity in the auto industry. This year, these layoffs were slightly larger than normal."

Despite the up-tick in the Michigan's jobless rate over the month, the state's rate in July matched the seven-month, 7.0 percent average so far in 2005. This is slightly lower than the 7.1 percent averages for both 2003 and 2004.

Michigan's labor force has trended upward in 2005. In July 2005, 5,102,000 people were in the state's workforce compared to the 5,079,000 average recorded in 2004.

Total employment statewide was up 27,000 or 0.6 percent since July 2004. Nationwide, employment increased by 1.7 percent in the same period.

The national jobless rate was 5.0 percent in July 2005.

August 17, 2005

## **ADMINISTRATION FORECASTS NET JOB LOSS FOR '05**

Governor Jennifer Granholm at the close of 2004 predicted that Michigan would see job growth in 2005 after three consecutive years of declines, but her administration forecasted Wednesday that the state would instead lose more jobs than it gains.

The forecast came on the same day that the state announced unemployment in July rose to 7 percent from June's 6.8 percent rate.

At a December news conference, Ms. Granholm said of Michigan's economy: "2005, I think, is going to be a good year for us. It is going to be a year of job growth, not straight up, but job growth, solid job growth on a subtle trajectory."

But the economic forecast submitted Wednesday by Ms. Granholm's Department of Treasury projected a 0.3 percent decrease for 2005 in wage and salary employment. It also predicted the annual unemployment rate for 2005 would be 7.2 percent, an increase from 7.1 percent in 2004, and 7.5 percent for 2006.

Granholm press secretary Liz Boyd said Michigan faces difficult economic conditions.

"The hard reality is our Michigan economy continues to be plagued by a downturn in the manufacturing sector," she said.

Ms. Granholm's proposals to invest money into diversifying the economy and to improve the business tax structure would help boost the state's economic climate, Ms. Boyd said.

"We have to transform our economy, and it will take time to accomplish that," she said.

Treasurer Jay Rising said the higher unemployment rate projected for 2006 reflects, in part, more workers attempting to join the labor force.

But Republicans seized on the administration's own forecast as damning evidence against Ms. Granholm's policies.

"This governor said that 2003 and then 2004 and then 2005 would be the year of jobs. So far all we've seen is continued, steady, massive job losses," said Nate Bailey, Republican Party spokesperson. "This is not the progress that Michigan's families need. Now she comes out and says the worst is yet to come? Unemployment will continue to rise? Job losses will continue?"

Republicans also delighted in a graphic included by the administration in its economic forecast showing how much better the state's job picture improved after the 1990-91 recession.

sion (when Republican former Governor John Engler was in office) compared to the 2001 recession.

Mr. Engler also was in office in 2002 for the first year after the 2001 recession.

### **JULY UNEMPLOYMENT GROWS**

The job picture worsened in July with the seasonally adjusted unemployment rate increasing to 7 percent, 0.2 percentage points higher than in June, the Department of Labor and Economic Growth reported Wednesday. While the month did show a 4,000 gain in the number of those employed, the number of out of work persons increased by 11,000.

The state rate was a full 2 percentage points higher than the national average and only marginally better than the 7.1 percent rate of one year ago. The department noted the average for the year matches the July rate of 7 percent, compared to the 7.1 percent rate for the comparable period in both 2003 and 2004.

"There was an increase in Michigan in the number of individuals on temporary layoff in July," Rick Waclawek, director of DLEG's Bureau of Labor Market Information and Strategic Initiatives, said. "This reflected regional short-term, seasonal cutbacks due to model-changeover activity in the auto industry. This year, these layoffs were slightly larger than normal."

The monthly survey of employers showed a loss of 17,000 payroll jobs during the month to 4.35 million, led by a 10,000 drop in manufacturing, 8,000 in government (the fourth consecutive month that sector posted a loss) and 6,000 in utilities. Professional and business services grew by 8,000, its third straight month of growth.

The state has lost 26,000 payroll jobs since July 2004, with two-thirds of those in the manufacturing sector.

Since July 2004, total employment is up by 0.6 percent or 27,000 jobs, the department reported, a far slower pace than the 1.7 percent increase nationally in the same period.

The unemployment rate among a civilian labor force of 5.1 million persons represents 356,000 idled workers.

The department also reported an unchanged unemployment rate of 7.4 percent in the Detroit-Warren-Livonia Metropolitan Statistical Area, with employment and the labor force both dropping by 2,000 jobs.

# Unemployment Benefit Claims Rise by 6,000

Marquette Mining Journal

August 18, 2005

WASHINGTON (AP) - The number of newly laid off Americans filing applications for unemployment benefits rose slightly last week but still remained at levels indicating a strong labor market.

The Labor Department reported Thursday that applications for unemployment benefits totaled 316,000 last week, a gain of 6,000 from the previous week.

That increase was above the 2,000-person rise that economists had expected, but the level of laid-off workers remained well within the range that signals the labor market is continuing to improve.

Employers created 207,000 new jobs last month, the best showing in three months, helping to keep the unemployment rate at a low level of 5 percent.

So far this year, a strong economy has generated an average of 191,000 new jobs per month, better than last year's average of 183,000.

Stephen Stanley, chief economist at RBS Greenwich Capital, said the recent performance of jobless claims was consistent with his view that payroll growth will be even stronger in the second half of this year.

Forecasters believe that the labor market will continue to improve as long as soaring energy costs don't jolt business and consumer confidence and cause cutbacks in spending.

The government reported earlier this week that prices paid by both consumers and wholesalers shot up in July, reflecting the surge in world oil prices, which hit record highs above \$67 per barrel earlier this month.

Those increases have sent gasoline prices soaring with the nationwide average hitting \$2.55 per gallon in the most recent Energy Department survey.

The increase in jobless claims to 316,000 last week pushed unemployment applications to the highest level in five weeks, when claims surged to 337,000, reflecting higher layoffs in the auto industry.

But analysts said claims readings below 350,000 reflect a healthy economy that is generating enough jobs to support an expanding labor market.

The four-week moving average for jobless claims edged up slightly to 312,750 last week, compared to 310,000 the previous week.

# Granholt visits local job-training program

*Wednesday, August 17, 2005*

*By Danielle Quisenberry*

*The Grand Rapids Press*

GRAND RAPIDS -- Factory worker Maria Elena Sanchez presented Gov. Jennifer Granholm with a plate of brownies wrapped in tinfoil Tuesday.

The governor did not take the brownies with her as she left Southwest Organization Unifying Resources for Community Employees (SOURCE), 1409 Buchanan Ave. SW. She also left an impression on Sanchez, the type of worker Granholm is looking to help.

"She made me nervous," said Sanchez, smiling and speaking heavily accented English.

"She is a very important person."

Granholt was in Grand Rapids at the employee support and placement office to promote MI Opportunity Partnership, a program introduced in February as part of her State of the State address.

The partnership seeks to ensure job-seekers get the training needed to be competitive in the marketplace.

For Sanchez, that means bettering her English skills to keep her job at Butterball Farms' factory, 1435 Buchanan Ave. SW, and help her three young sons with schoolwork.

Sanchez, a Grand Rapids resident, is improving her English at SOURCE, which was established in 2003.

Granholt applauded SOURCE's efforts to support and develop the work force and refer unemployed people to one of its eight supporting companies.

During her visit, the governor spoke with each student in Sanchez's English class.

Most of them spoke Spanish as their first language.

"Isn't America great?" Granholm asked during her second visit to SOURCE since March. "I wish you all great luck."

Since October, SOURCE has placed 100 workers in jobs with its affiliated companies -- including Spectrum Industries, 522 Plymouth Ave. NE, and Pridgeon and Clay Inc., 50 Cottage Grove SW, executive director Andrew Brower said.

The efforts by SOURCE are funded by the affiliate companies along with grants and donations.

The organization sees its job as helping people get everything they need -- from training to child- or car-care -- to keep jobs, Brower said.

Last year, SOURCE helped about 1,400 people.

Granholt is working through MI Opportunity Partnership to match worker skills with available jobs, pointing to efforts such as SOURCE's as successful examples.

Despite high unemployment rates -- the state's seasonally adjusted rate was 6.8 percent in June -- there are about 90,000 job vacancies in Michigan.

However, most openings require applicants have more advanced skills, she said.

"This is an effort to put people to work, to train them," Granholm said. "Nobody is declaring victory, but we are on the right path."

Published August 18, 2005

## **Gas prices set tone for winter heat bills**

### **Energy Dept. predicts 16% to 25% jump in costs**

By H. Josef Hebert  
Associated Press

WASHINGTON - After a summer of soaring gasoline costs, people should not expect cooler weather in autumn to end their energy woes. Prices at the gas pump probably will stay high and record heating bills in the winter are almost certain to follow.

The Energy Department predicts that heating costs for homes using natural gas or fuel oil could be 16 percent to 25 percent higher than last year. That estimate came before the latest price spike in crude oil and natural gas.

Already, drivers are reeling from gasoline prices that are approaching \$3 a gallon in some areas and averaging \$2.55 a gallon nationwide. Prices are expected to ease after Labor Day, but not by much, analysts predict, as crude oil prices remain above \$60 a barrel.

Utilities are warning customers that their bills will be high this winter, said Chris McGill of the American Gas Association, which represents the natural gas retailers.

Wholesale prices for natural gas have soared along with crude oil and gasoline. The Energy Information Administration estimates that natural gas could cost more than \$10 per 1,000 cubic feet by January, about 30 percent more than it did this summer.

The increase to consumers is usually less because the actual gas accounts for about half of a typical bill and the other half usually remains pretty constant, according to the retailer's group. Utilities also have bought gas at the lower price this summer and are storing it.

Electricity and propane costs also are rising.

#### **Online**

- Energy Information Administration: [www.eia.doe.gov](http://www.eia.doe.gov)



# Fill a bus with food

Thursday, August 18, 2005

KATHRYN PRATER  
THE SAGINAW NEWS

School bus brakes squeal as the vehicle halts for a red light, its seats filled with dozens of jumping, tumbling ... cans of soup?

Volunteers will "Stuff-a-Bus" with canned goods, fruit cups, cookies and other individually packaged edibles from 9 a.m. to 6 p.m. Friday and from 9 a.m. to 3 p.m. Saturday in the Green Acres Plaza parking lot on State at Hemmeter in Saginaw Township.

"We want to fill all the seats from the floor to the top of the seats," said East Side Soup Kitchen Director Pamela M. Cole. "That's what we're hoping, but whatever we get we didn't have before."

The items collected through the project, which began in 1999, will help stock soup kitchen shelves and feed students staying after school at locations with no snack-providing capabilities. The kitchen is meeting increased needs this summer, Cole said. In previous years, the average count never exceeded 300 people per day, but July's average was 307.

"More food is going out, so we need to bring more food in," Cole said.

The city's lagging economy, the director said, may have caused the influx of visitors to the soup kitchen.

"There's no jobs here in Saginaw for people," she said. "The jobs that are coming to Saginaw seem to be technical jobs, and you need training for them."

Givers will fill a white bus that belongs to Warren Avenue Presbyterian Church, 612 Millard in Saginaw, which is housing the kitchen until construction of the new Hunger Solutions Center is finished in October.

Fifteen-year soup kitchen patron David R. General, 47, said he thinks the kitchen will put the extra food to good use in the larger future facility.

"They're going to need a little more help with the big one," said General, who rides his bike to the soup kitchen every day he doesn't have odd jobs to do during lunchtime. "It's hard to fit 300 people in a building like this. There'll be twice as much with the big one."

Workers are painting walls and installing cabinets in the kitchen's new center, 940 E. Genesee. It will share the handicapped-accessible building with Hidden Harvest, an organization that collects surplus food from restaurants and other sources.

Meanwhile, organizers are trying to make stuffing the bus as easy as possible this weekend.

"If people drive up, we'll take it right out of their car for them," Cole said.

A small yellow school bus will accept cash or check donations.

"We put it in there and try to stuff that bus, too," Cole said. "That one's easier to unload."

# State has put foster kids with ex-cons, audit finds

## Background-check system faulted

*August 18, 2005*

BY DAWSON BELL  
FREE PRESS STAFF WRITER

The state agency in charge of child foster care fails to identify convicted criminals living with or caring for kids, inadequately monitors conditions in foster homes and falls short across the board in the delivery of safe and adequate service, according to an audit released Wednesday.

The starkly worded report from Michigan Auditor General Thomas McTavish found shortcomings in almost every area of performance by the Department of Human Services, which is responsible for placing nearly 20,000 children who are removed each year from their homes for a variety of reasons, including neglect and abuse.

The auditors were especially critical of shortcomings in the screening for criminal histories of adults living with foster kids. Although a background check is required for all adults in the home when foster children are initially placed, the department has no system for regularly telling whether the adults remain crime-free, the audit found.

Serious criminal convictions, including sexual assault and drug dealing, were uncovered in spot checks by the auditors. They reviewed cases from October 2000 to May 2004.

The department was not aware that more than 350 foster care providers and adults with criminal convictions were living with foster children, the audit found.

"My question is: How long does it take to do a background check?" asked Mary Anne Quinn, a 28-year juvenile court referee in Wayne County who retired last year. Quinn was skeptical about time and money excuses for not conducting background checks.

"I have a friend ...who does checks on her transporters and she can run all her drivers in under five minutes."

The audit was conducted in the wake of several well-publicized cases involving foster and adopted children who were placed in homes with convicted criminals.

Marianne Udow, director of the Department of Human Services, defended the agency's performance Wednesday, saying that many of the failings cited in the audit were technical and did not directly affect child safety.

Doing thorough background checks is costly and time consuming, but the agency completes them before licensing someone as a foster parent or placing abused or neglected children with a relative, Udow said.

To her knowledge, Udow said she does not recall any foster child being harmed by an adult with a felony record who was living in the foster home.

She added that although the auditor general's report cites 341 cases that should be investigated further, her agency was made aware of only 16 cases found by state auditors last April and that those cases have been reviewed already.

"In most of the cases, we had done the background check but not documented that it was done," Udow said, adding that no foster child was removed in those 16 cases.

The report said it found problems in the documentation for 321 licensed foster parents and 20 relatives who were caring for foster children. But Udow said the department does not know which cases the report is referring to.

Even so, having a felony conviction does not automatically disqualify someone from being a licensed foster parent, Udow said. Violent crimes and criminal sexual conduct do disqualify someone; writing bad checks does not in many cases, she said.

"We don't want people to have an inaccurate picture of the foster care system."

She was especially upset about criticism based on the federal standards, which Udow said unfairly depicted Michigan's performance.

In 2003, a federal audit of Michigan's child welfare system found it to be among the safest for children in the country, Udow said.

Deputy Auditor General Scott Strong said the audit was not triggered by any single incidence of abuse or a request from lawmakers. It was a routine audit done periodically. The foster care system was last subjected to an audit in 1994, he said. Many of the same problems were found during that review.

Strong said the report was not intended to vilify the agency or its employees, merely to identify areas in need of improvement.

Strong disputed some of the agency's claims that its failings were merely technical or misfiled paperwork, saying that in some cases no documentation of any kind was available to substantiate that a foster home or agency had been checked for safe conditions.

Veterans of the child welfare system said the issues are complex and that it would be a mistake to conclude that reviewing criminal histories is the best tool for ensuring safety.

Quinn, the retired court referee, said that in some circumstances it is appropriate to allow a foster child to stay in a home with a convicted felon.

"Certainly, if it's a person who is a sex offender, that's out," Quinn said. "But if it were domestic violence or another kind of crime that was over 10 years in the past, it might be OK.

"I certainly think we ought to have an on-the-record discussion about it."

Sharon Claytor Peters, president of the advocacy group Michigan's Children, said the audit report raises lots of concerns. But it would be a mistake to focus too narrowly, she said, on beefing up criminal background checks.

"We really need to pay attention to the adequacy of support for the foster care system across the board," Peters said. "They are severely understaffed ... and many of the staff they have are inexperienced."

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# Criminals slip through cracks, get foster kids

An audit finds state agency doesn't ensure backgrounds checked before placing children.

*By Kim Kozlowski / The Detroit News*

*Thursday, August 18, 2005*

Hundreds of Michigan foster children could be at risk because they're living with adults convicted of crimes, including domestic violence, assault and battery and criminal sexual conduct, a state audit has found.

The state Department of Human Services does not ensure that workers conduct and document criminal history background checks before placing its approximately 19,000 foster children in homes, according to the report released Wednesday by the state Office of the Auditor General.

The audit of 12,900 foster care providers and other adults living in those homes found that 353 people were convicted during a five-year period of a crime that may disqualify them from caring for foster children.

"These people with a personal history of criminal conduct may not be suitable for providing foster care for children," said Scott Strong, deputy auditor general.

Marianne Udow, director of the state Human Services Department, said while no child should be in a potentially risky situation, nearly all of Michigan's foster children are in safe homes.

"Our goal is 100 percent safety for our children," Udow said. "The vast majority of our foster parents do not have a criminal history, and the vast majority of our foster parents are doing amazing things for our children."

Foster care is one of the largest programs of the Department of Human Services and provides care to children removed from their homes because of abuse or neglect.

The state's foster care manual requires background checks of all people living in foster care homes, and prohibits placing children in homes if any adult has been convicted of child abuse or neglect, crimes against children or domestic violence.

The routine audit of the state foster care program was conducted between June 2003 and May 2004 and included the examination of records between Oct. 1, 2000 and May 31, 2004.

Of the 353 convictions found, auditors identified 16 who had convictions that could disqualify them from hosting children. The Department of Human Services could not provide the documentation showing that an initial criminal background check had been done for 12 of those 16.

Human Services spokeswoman Maureen Sorbet said auditors could not find evidence of background checks because they were looking for a form that was only required during half of the audit period.

The audit also identified five adults living in the homes of the foster care providers with convictions that occurred after the homes were licensed.

Udow said criminal background checks are run on all foster care providers when they are initially licensed but random checks are not currently done because it is not required by state law. However, the department will be establishing a link with the state police by year-end that will provide ongoing criminal information on foster care providers.

"We want to do everything we can to show children are safe," Udow said.

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#### Children's foster care audit

- In a review of 12,900 licensed care providers and adults who live in their homes, 353 were found to have convictions over a five-year period.
  - Of those, auditors looked at 16 who had potentially serious convictions and could not find a record of background checks being conducted on 12 of them.
  - The department has no way to know if an adult in a foster home is convicted of a serious offense after an initial background check.
- Recommendations:**
- Ensure and record background checks of all adults living in homes of foster care providers before children are placed there.
  - Conduct periodic updates on criminal background checks.

Lansing State Journal

Published August 18, 2005

## **Audit: More than 320 foster parents have criminal pasts**

By Amy F. Bailey  
Associated Press

More than 350 foster parents and other adults living with foster children were convicted of crimes ranging from sexual assault to domestic violence to drug possession, according to a state audit.

The report by the Michigan Office of the Auditor General found 321 foster care providers and 32 other adults living with foster children who had criminal convictions as recent as 2003 that should have prevented the state from placing foster children with them.

In a randomly selected group of 16 foster care providers with criminal records, auditors said the state Department of Human Services could not show that caseworkers did the required background checks on 12.

Among those 12, auditors found five drug convictions, five assaults, including one with a weapon, and two domestic violence convictions.

Department director Marianne Udow said the audit only reviewed the way the state processes foster care cases.

She emphasized that the 19,100 kids in the system are safe.

"While this audit is important, it is not looking overall at the issues of whether or not children are safe. We have independent data to show that overall, Michigan is doing a good job of keeping children safe," Udow said.

State auditors reviewed computerized criminal history information from December 1998 to December 2003 for 12,900 foster care providers and adults in licensed foster homes. The audit released Wednesday covers DHS records between Oct. 1, 2000 and May 31, 2004.

"Considering the seriousness of the identified convictions that occurred after the date DHS had originally performed background checks, it is imperative that DHS develop a process to periodically perform background checks," the report said.

DHS disputed the audit's findings, saying forms reported missing for 11 of the 12 foster care providers cited by auditors didn't exist when their files were begun.

### **On the Web**

- Office of the Auditor General:  
<http://audgen.michigan.gov/>
- Dept. of Human Services:  
[www.michigan.gov/dhs](http://www.michigan.gov/dhs)

August 17, 2005

## **AUDIT: FOSTER CARE SYSTEM LACKS OVER-SIGHT**

The Department of Human Services has not been providing the oversight needed in the foster care system, nor has it met federal goals for the system, said Auditor General Thomas McTavish in a sharply critical report released Wednesday.

Among the key findings in the performance audit of the Children's Foster Care Program, covering October 1, 2000, through May 31, 2004, the then-Family Independence Agency had not conducted criminal background checks on those working in the foster care system, had not provided required visits to foster children and had not monitored contractors to be sure they were delivering proper services.

But Human Services Director Marianne Udow said the audit looked only at paperwork and not at the actual function of the program.

"It is an audit that is focused on documentation," she said. "What it didn't look at was the overall safety of children in the foster care system. We do believe children are safe in foster care.

"We think much more fundamental is to change the child welfare system so we are engaged in prevention and early intervention," Ms. Udow said. "That's what we're doing with the family to family plan."

The department is, however, working to improve on the documentation that auditors found lacking or missing. Ms. Udow pointed, for instance, to an agreement with the Department of State Police that would provide Human Services with an automated connection to the Law Enforcement Information Network to complete and record criminal background checks.

Law requires the state to provide criminal background checks on anyone in the foster care system having contact with children, including adults living in a foster home but not providing care to the children. But, in one of the five more serious "material" findings in the report, auditors said those background checks were not being completed.

Material findings in an audit could affect the operations of a program, while reportable conditions are areas where the department could improve its operations.

Of the 10,000 foster care providers, auditors found 321 with criminal convictions issued during the audit period that might have disqualified them from providing care. Of 2,900 other adults living in foster homes, auditors found 32 with convictions that could disqualify the home from providing foster care.

Auditors reviewed 16 of the providers with convictions and found in 12 cases the department did not have documentation that it had conducted background checks during the

audit period. And of six homes where other adults had convictions, five of those had no record of background checks of those adults.

While the department agreed it had a responsibility to conduct background checks, it disagreed that it had failed in that responsibility. Officials said the finding that there was not a record of a background check for the 12 foster care providers was based on lack of a specific form to record the check, but they said that form was not yet required when 11 of those cases were opened.

And officials noted that recent federal audits had indicated the state's background check system, which includes the child abuse registry as well as the Law Enforcement Information Network, was a strength of the program.

Auditors said they had not asked only for the current required forms, but for any information that would provide proof of a criminal history check.

While officials agreed periodic background checks of providers would be helpful, they said there are no laws or policies requiring those checks.

The report was the second consecutive audit to find the department and its contractors were not conducting sufficient visits to foster homes, another material finding against the department. Of 106 files reviewed, 96 did not have documents to show workers had conducted the minimum required visits to foster children.

"Without periodic caseworker visits, DHS cannot effectively assess the safety and appropriateness of the environment the children are in or observe the physical well-being and demeanor of the children and their interaction with their foster parents and parents from whom they were removed," the report said. "In addition, without periodic caseworker visits, DHS cannot always be sure that the children, their parents, and their foster parents receive timely, relevant services."

Department officials agreed on the need for visits, as well as on the need to document those visits. But they said in many cases the visits were happening, but not being documented. A new system is helping workers to automate the documentation of those visits, they said.

In lesser findings, auditors also cited the department for not having timely foster care service plans and for not ensuring that foster children are receiving, and having documented, needed health care.

Officials again disagreed that the services were not being provided, but agreed that they should be better documented.

In another material finding, auditors said the department was not effectively overseeing the contractors running parts of the system. "An improved monitoring process should help DHS ensure that contracted agencies provide the level of foster care services for which they were contracted and also provide DHS with information to assess the effectiveness of each contracted agency in meeting performance standards specified in their contracts," the report said.

The department's goal was reviews of each contractor at least every two years. But of 172 contractors, 90 had no records of any reviews. Among the other 82, 29 showed the most



recent review between 25 months and 70 months prior to the audit period. And 22 contract files could not be located.

Where corrective action plans were needed, the department was also not ensuring that they were submitted within 30 days of the report. And the department was not always following up that the plans were being implemented within 60 days as required.

The department agreed that it was not meeting the frequency of reviews required in its policy, but said it has since changed the policy to reflect the loss of two monitor positions to early retirements.

But officials disagreed the reviews it conducted were inadequate. The on-site visits and follow-up work have been prioritized from the foster care program, but they said the Office of Child and Adult Licensing also reviews many of the facilities. They said caseworkers also keep tabs on contractors through their visits with foster parents, families and children.

Auditors, citing the finding about child visits, noted foster care workers were not in regular contact with foster parents, families and children as the department claimed.

Auditors also cited the department for not ensuring agreements were in place under the Interstate Compact on the Placing of Children before children were moved to out-of-state foster homes, another of the material findings. Of seven cases where children were placed in other states, five were ordered by the courts. But in only one of those was an interstate agreement reached.

DHS officials agreed that the agreements should be in place and said in most cases they are, but they said with or without the agreements changing a child's placement requires a court order. In the cases where the auditors found placements should have changed but were not, the department was unable to obtain such an order, they said.

Auditors also cited as a material condition that the department had not met any of the seven federal child welfare outcomes. "DHS's inability to achieve substantial conformity with federally required standards indicates that DHS may not have provided effective services to children who were removed from their homes because of abuse and neglect," the report said.

Among those outcomes is permanency of living situations, maintenance of family relationships, protection from abuse, and provision of appropriate services.

While the department admitted that it has not met the outcomes, it disagreed that reflected poorly on the service it provides, noting that no state has met the outcomes. It has implemented a program improvement plan, accepted by federal officials in May 2004, and has met the goals of that plan for the past three quarters.

But auditors found the department did not have a process to evaluate the effectiveness of the program. In particular, it did not have measurable outcomes and had not developed data collection or reports to support any goals.

The department disagreed with the finding to the extent that it asked that the finding be removed from the report.

**MIRS**

**August 17, 2005**

## **Audit: DHS Not Running Checks On Foster Parents**

A highly critical state audit revealed today that the Department of Human Services (DHS) may be placing foster children in unsuitable homes because the head office is not making sure the field staff is running criminal background checks on relative foster care parents.

The Auditor General also found that DHS couldn't document that its caseworkers were conducting the required check-ups on the foster children once they were placed nor was their proof that agencies DHS contracts to handle foster placements, are doing their checks either.

As part of an audit that revisited records from Oct. 1, 2000 to May 2004, the Auditor General concluded that DHS (formerly the Family Independence Agency) did not comply with state law in how it conducts its child welfare program. What the department was doing was not effective, not efficient and did not meet the department's goals.

The findings came as part of a performance audit of DHS' Children's Foster Care Program, which places children who are temporarily or permanently wards of the state or the courts because their home living situations are not good. Sometimes the children are abused or neglected. As of 2003, there were 19,500 children in foster care in Michigan. In Fiscal Year (FY) 2003, then-FIA used \$562 million and 774 workers to run the program.

In its most serious finding, the audit found DHS ran astray from state when it couldn't prove its local workers ran background checks on prospective foster care providers. Nor could it prove that DHS did periodic criminal history backgrounds on the people running or living in the foster home.

Instead, the Auditor General's Office ran its own background checks and found problems with 353 of the 12,900 people living in foster care homes over the last five years. People with relatively recent criminal sexual conduct, domestic violence, drug running and aggravated assault convictions were living in these homes.

"Considering the seriousness of the identified convictions that occurred after the date DHS had originally performed background checks, it is imperative that DHS develop a process to periodically perform background checks to ensure the safety of foster children," the audit read.

In response, DHS officials said it agrees that the department could do a better job documenting the background checks, but it took issue with the statement that the background checks are not occurring at all and that caseworkers are putting children at risk.

Just because a particular piece of paperwork is missing from children's files, doesn't mean the checks aren't being done. Contrary, DHS screens all licensed foster homes against its child abuse registry and takes action within 30 days when they find a match, it's a system federal monitors

called a "strength and model practice," they noted.

In response, the Auditor General noted that the system DHS is using deals with only licensed foster care homes, which only account for 44 percent of the living arrangements of Michigan children in foster care. The child abuse registry, which DHS is using, is entirely separate from the computerized criminal history information the State Police keeps.

DHS also failed to obtain a license that allows the department to work with out-of-state foster homes, a license called the Interstate Compact on the Placing of Children. Department officials couldn't prove that its caseworkers were making sure the children they placed were doing OK in their new foster care homes, which they are required to do.

In total, the audit reported 10 findings and made 12 recommendations.

## Restore fatherhood

Linda Parker (Forum, July 24) is right to be concerned about the large proportion of foster care children who are "children of color." Aren't the majority of these kids being removed from fatherless homes? Aren't a majority of black births now illegitimate?

I suggest we already know what to do about this problem: Stop paying young women to start fatherless families.

We need to stop telling women that a government check can take the place of a father. We need to stop telling young men that they are not needed as fathers. It takes a family to raise healthy children. Just because your skin is black doesn't mean you have "magic" protection from the consequences of absent fathers. It's a lousy start to life whether you are black, white, brown, blue, purple, or green.

We have two adopted black children who have made a wonderful addition to our white family. I recommend it.

**Carol Carlson**  
Lansing

LSJ  
8/18  
14A

By ROBERT PEAR  
The New York Times

# Doctors Argue Against Higher Co-Payments for Medicaid

Published: August 18, 2005

WASHINGTON, Aug. 17 - The Bush administration clashed with doctors on Wednesday over the merits of a proposal to charge higher co-payments to Medicaid recipients, with doctors warning that the fees could deter some poor people from seeking necessary medical care. The debate came at a meeting of a federal advisory panel appointed by the administration to help rein in the growth of Medicaid, which provides health insurance to more than 50 million low-income people.

Congress may use the panel's advice as a basis for legislation this fall.

Under the current Medicaid law and rules, co-payments for most adults cannot exceed \$3 for goods and services like prescription drugs, visits to doctors and outpatient hospital visits. For children younger than 18, co-payments are not allowed.

The panel, known as the Medicaid Commission, is considering an option that would allow states to charge higher co-payments, \$5 for adults and \$3 for children.

Michael J. O'Grady, a member of the panel who is also an assistant secretary of health and human services, said the higher co-payments would make beneficiaries more "price-sensitive" and would not impose an undue burden.

"We are talking about the price of a pack of cigarettes," Mr. O'Grady said. He noted that the maximum co-payments had not been changed since the early 1980's.

Under the proposal, the Congressional Budget Office estimates, Medicaid recipients would pay \$4 billion in additional charges over the next five years.

Dennis G. Smith, a top federal Medicaid official, said that was not a large amount in the context of a program expected to cost the federal government and the states \$2 trillion in the next five years.

But Dr. John C. Nelson, a former president of the American Medical Association who is a commission member, said: "If we raise the co-payment, some people will not get the care they need. These are real people."

A person with chronic illnesses who forgoes medicine because of the higher co-payment could end up in a hospital emergency room, which costs much more, said Dr. Nelson, an obstetrician and gynecologist from Salt Lake City.

Democrats have been leery of the commission, saying it would simply ratify budget cuts proposed by President Bush. But the panel made clear Wednesday that it would not rubber-stamp proposals by Mr. Bush or the National Governors Association.

Dr. Carol D. Berkowitz, a commission member who is president of the American Academy of Pediatrics, said that co-payments of \$3 to \$5 could quickly add up to substantial costs for a low-income family with four children.

Another commission member, Julie Beckett, said that a \$5 co-payment for each drug and doctor's visit "is a lot if you have multiple chronic conditions and multiple needs." Ms. Beckett is policy director of Family Voices, an advocacy group for children with special health care needs.

Mr. Smith said Medicaid had begun as a health care program for welfare recipients, but now served many mothers and children in families with incomes "well above the poverty level."

The federal government has given states hundreds of waivers allowing them to experiment with changes in Medicaid. But Raymond C. Scheppach, executive director of the National Governors Association, said Medicaid was still "a very rigid, inflexible program."

# Racial health care disparities persist, 3 big studies find

## Blacks get less care on complex, costly procedures

9/14  
3A By JEFF DONN

Associated Press

BOSTON — The health care gap between blacks and whites is closing on many simple, cheap medical treatments, but deeper disparities stubbornly persist for more complex and costly procedures, new research suggests.

The findings from three large federally funded studies indicate it's possible to equalize health care between races, but it won't happen quickly or easily.

"Things that are simpler and less expensive ... are easier fixes," said Dr. Ashish Jha, of the Harvard School of Public Health. He said more progress probably won't happen "by small tinkering with the system."

He led one of the three studies published in today's New England Journal of Medicine. The research offers some of the first evidence

that racial disparities have narrowed, at least for some patients and treatments.

Since the 1980s, many studies have documented racial gaps in the standard of health care. They are blamed on economic, cultural and even biological differences between races. Blacks have less access to better doctors, hospitals and health plans, studies indicate.

Research also shows that the medical system treats whites and blacks differently. Examining only those two races, the new studies took into account such differences

## Today's focus: Health care

es as health plans, hospitals, regions and wealth.

The researchers mostly compared treatment of whites and blacks by assessing how often accepted professional standards were met for each group. In the study finding the most equality, Harvard researchers analyzed records from 1.5 million patients in 183 Medicare managed-care plans between 1997 and 2003.

They found narrowed racial gaps for mammograms and diabetics' eye exams, blood-sugar tests, and testing and control of diabetics' cholesterol. Gaps also were reduced for prescribing beta-blocker heart drugs and cholesterol testing after heart attacks.

The most dramatic improvement came for beta blockers. By the end of the study, 93 percent of blacks met standards, compared with 94 percent of whites — an improvement of 11 percentage points for blacks.

Progress wasn't apparent

everywhere, though. Disparities widened by 3 percentage points for both control of diabetics' blood sugar and of heart patients' cholesterol.

The other two studies, led by Harvard and Emory University, show persistent disparities in mostly expensive and elaborate procedures such as some blood vessel repairs, heart and back surgeries, and joint replacements.

"The more invasive the procedure was, the more difference we found," said Dr. Viola Vaccarino, who led the Emory study.

The studies weren't de-

signed to pinpoint the precise reasons for the gaps or changes over time. However, researchers said more elaborate treatments are harder to improve quickly because they involve multiple steps and resources. They may require coordination between doctors, hospitals and pharmacies.

Doctors said treatment can be further equalized with universal insurance coverage, more data on race, more awareness of disparities, and medical improvements, such as linking doctor and hospital payments to performance.

*Detroit News*  
*Livingston Briefs*  
8/18/05

**Brighton**

## MannaWalk benefit raises \$4,800

A recent walk to benefit children with HIV/AIDS raised \$4,800 in Livingston County as part of a nationwide MannaWalk benefit. The project was started by the Manna Relief Ministries of Grand Prairie, Texas, and is aimed at raising awareness, as well as money. Nationwide, \$50,000 was collected with totals still coming in, said Michelle Goralski, a team leader for the local walk. For information, call (810) 227-0147 or e-mail [michellegorski@hotmail.com](mailto:michellegorski@hotmail.com).



# Low-income complex marks 25 years

Thursday, August 18, 2005

By Julie Makarewicz  
The Grand Rapids Press

KENTWOOD -- Without Tamarisk Apartments, Betty McLeichey isn't sure where she would live.

"I wouldn't be able to afford an apartment a lot of other places and still have money for food and medicine," said McLeichey, a senior citizen.

For 25 years, Tamarisk apartments and town homes have provided low-income housing. Now, the residents will throw a party in honor of the complex's quarter-century. The celebration for residents and invited guests will take place from 11 a.m. to about 3 p.m. Friday.

"We're just so grateful to have something like this," said McLeichey, who has lived in the apartments for three years. "It's safe; it's clean -- and the people here treat you with dignity and respect."

Tamarisk Apartments, 4520 Bowen Blvd SE, caters strictly to low-income seniors with 80 one-bedroom apartments. Residents must be 62 or older. Next door are 20 town homes for low-income families.

Detroit-based Amurcon has managed the complex since it opened.

"This gives seniors a relief," said Teryn Sloan, occupancy specialist for the apartments. "They can still live independently, and without this type of housing, they wouldn't be able to do that. They would be forced financially to live with family members.

"Being independent is so important to them. I think we need a lot more of this in this day and age."

Rent is based on income, and medical expenses are taken into consideration.

"People don't have to chose between getting their medicine or getting a meal," Sloan said.

Representatives of the U.S. Department of Housing and Urban Development, Amurcon and the city are expected to attend the anniversary celebration.